



FEB 4 2014

Mr. Jose Córdova
President
EDIC College
Urb Caguas Norte
Street 8, Corner 5
Caguas, PR 00725

Certified Mail Return Receipt Requested

7006 2760 0002 1734 8911

RE: **Final Program Review Determination**
OPE ID: 03021900
PRCN: 201320228203

Dear Mr. Córdova:

The U.S. Department of Education's (Department's) School Participation Team – New York/Boston issued a program review report on 5/22/2013 covering EDIC College's (EDIC) administration of programs authorized by Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs), for the 2011/2012 and 2012/2013 award years reviewed. EDIC's final response was received on 10/22/2013. A copy of the program review report, and related attachments, and EDIC's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by EDIC upon request. Additionally, this Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

Purpose:

Final determinations have been made concerning all of the outstanding findings of the program review report. The purpose of this letter is to: (1) identify liabilities resulting from the findings of this program review report, (2) provide instructions for payment of liabilities to the Department, (3) notify the institution of its right to appeal.

The total liabilities due from the institution from this program review are **\$98,190.00**.

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

Financial Square, 32 Old Slip, 25th Fl., New York, NY 10005

Protection of Personally Identifiable Information (PII):

PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth). The loss of PII can result in substantial harm, embarrassment, and inconvenience to individuals and may lead to identity theft or other fraudulent use of the information. To protect PII, the findings in the attached report do not contain any student PII. Instead, each finding references students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendix A, Student Sample. In addition, Appendices B through E3 also contain PII.

Appeal Procedures:

This constitutes the Department's FPRD with respect to the liabilities identified from the 5/22/2013 program review report. If EDIC wishes to appeal to the Secretary for a review of financial liabilities established by the FPRD, the institution must file a written request for an administrative hearing. Please note that institutions may appeal financial liabilities only. The Department must receive the request no later than 45 days from the date EDIC receives this FPRD. An original and four copies of the information EDIC submits must be attached to the request. The request for an appeal must be sent to:

Ms. Mary E. Gust, Director
Administrative Actions and Appeals Service Group
U.S. Department of Education
Federal Student Aid/PC
830 First Street, NE - UCP3, Room 84F2
Washington, DC 20002-8019

EDIC's appeal request must:

- (1) indicate the findings, issues and facts being disputed;
- (2) state the institution's position, together with pertinent facts and reasons supporting its position;
- (3) include all documentation it believes the Department should consider in support of the appeal. An institution may provide detailed liability information from a complete file review to appeal a projected liability amount. Any documents relative to the appeal that include PII data must be redacted except the student's name and last four digits of his / her social security number (please see the attached document, "Protection of Personally Identifiable Information," for instructions on how to mail "hard copy" records containing PII); and
- (4) include a copy of the FPRD. The program review control number (PRCN) must also accompany the request for review.

If the appeal request is complete and timely, the Department will schedule an administrative hearing in accordance with § 487(b)(2) of the HEA, 20 U.S.C. § 1094(b)(2). The procedures followed with respect to EDIC's appeal will be those provided in 34 C.F.R. Part 668, Subpart H. **Interest on the appealed liabilities shall continue to accrue at the applicable value of funds rate, as established by the United States Department of Treasury, or if the liabilities are for refunds, at the interest rate set forth in the loan promissory note(s).**

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. §§ 668.24(e)(1), (e)(2), and (e)(3).

The Department expresses its appreciation for the courtesy and cooperation extended during the review. If the institution has any questions regarding this letter, please contact Lydia Gonzalez at (646) 428-3743. Questions relating to any appeal of the FPRD should be directed to the address noted in the Appeal Procedures section of this letter.

Sincerely,

(b)(6); (b)(7)(C)

Betty Coughlin
Division Director

Enclosure:
Protection of Personally Identifiable Information

cc: Mr. Julio Melendez, Financial Aid Administrator
Puerto Rico Council on Higher Education
Accrediting Council for Independent Colleges and Schools

Prepared for
EDIC College

Federal Student Aid
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OPE ID 03021900
PRCN 201320228203

Prepared by
U.S. Department of Education
Federal Student Aid
School Participation Division – New York/Boston

Final Program Review Determination

FEB 4 2014

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A. Institutional Information

EDIC College
Urb. Caguas Norte
Street 8 Corner 5
Caguas, PR 00725

Type: Proprietary

Highest Level of Offering: Associate Degree

Accrediting Agency: Accrediting Council for Independent Colleges and Schools

Current Student Enrollment: 1410 (2012/2013)

% of Students Receiving Title IV: 90% (2012/2013)

Source: School Records

Title IV Participation:

Title IV Program	2011-2012
Pell Grant	\$8,419,190
Federal Supplemental Educational Opportunity Grant (FSEOG)	90,191
Federal Work Study (FWS)	81,064
Total	\$8,590,445

Default Rates FFEL/FDL

No Participation in Loan Programs

Source: U.S. Department of Education

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at EDIC College (EDIC) from 3/4/2013 to 3/8/2013. The review was conducted by Lydia Gonzalez and Frank Reyes.

The focus of the review was to determine EDIC's compliance with the statutes and Federal regulations as they pertain to the institution's administration of Title IV programs. The review consisted of, but was not limited to, an examination of EDIC's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, withdrawal and return of Title IV funds.

A sample of 30 files was identified for review from the 2011/12 and 2012/13 (year to date) award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. In addition, 8 files were selected to test FSEOG, FWS, student withdrawal and verification. Appendix A lists the names and partial social security numbers of the students whose files were examined during the program review.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning EDIC's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve EDIC of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

C. Findings and Final Determinations

Resolved Findings

Finding #3

EDIC has taken the corrective actions necessary to resolve finding 3 of the program review report. Therefore, the finding may be considered closed. The institution's written response related to this finding is included in Appendix C. Findings requiring further action by EDIC are discussed below.

Findings with Final Determinations

The program review report findings requiring further action are summarized below. At the conclusion of each finding is a summary of EDIC's response to the finding, and the Department's final determination for that finding. A copy of the program review report issued on May 22, 2013 is attached as Appendix B.

Note: Any additional costs to the Department, including interest, special allowances, cost of funds, unearned administrative cost allowance, etc., are not included in individual findings, but instead are included in the summary of liabilities table in Section D of the report.

Finding 1. Attendance Records- Inaccurate/Conflicting/Missing/Award Adjustments Required

Citation: The Department expects institutions participating in the Title IV programs to maintain the highest standards of care and diligence in administering those programs. In order to meet these standards, an institution must maintain accurate and complete records supporting the Title IV payments made to each student. An institution's maintenance and submission of accurate student eligibility records is critical to the Department's oversight responsibilities. The Department relies on those records when determining, as outlined below, the initial eligibility of a student for Title IV assistance and his/her eligibility for subsequent payments. 34 C.F.R. §668.16(d), §668.24

Noncompliance Summary: The reviewers found that procedures to monitor students' attendance for the purpose of disbursing Title IV funds and for determining the students' last date of attendance are not adequate. The attendance discrepancies noted could have an effect in the total amount of Title IV disbursed, award adjustments, satisfactory

academic progress (SAP) and or return of Title IV funds (R2T4) for the following students:

Student #9- the student attendance records indicate that she was marked present for days after noting in the attendance roster that the student had withdrawn from REHU1005, TQS1903 and TQS1920 courses during the second module of the semester which began 2/12/2012.

Student #13- the student's academic transcript during the first module of the 9/7/11 – 2/13/2012 semester indicate that she received a grade of A for REHU1005, however, her last date of attendance noted was 11/7/11. The student received a grade of B for SPAN 1031 but the attendance records indicate that she only attended the course once. This brings into question the validity of grade assignments and resulting SAP determinations. Additionally, during the second module of the same semester which began on 11/10/11, EDIC failed to provide attendance records for AMP 1701 and TRAB 1010.

Student #18- the student's last date of attendance for the 11/28/12-5/15/13 semester was noted as 2/6/13. However, the attendance records indicate that the only course attended during the semester was TECA 1317 (1 credit) with a last date of attendance of 12/15/12. The attendance rosters for TECA 1318 did not have any attendance for any of the students, and TECA 1319 indicate that the student did not show for class.

Student #21- the student's attendance records indicate that he failed to show for the ANAT 2201 course (4 credit) resulting in less than full time enrollment, which requires an award adjustment to reflect actual enrollment.

Required Action Summary: *Upon informing EDIC of this finding during the on-site visit, school officials immediately developed a corrective action plan (CAP) which outlined the process the institution would follow to support the students' attendance records for both award years. Since this finding was based on a sampling of the student files tested, EDIC was required to determine the exact amount of institutional liability associated with this finding. EDIC opted to be an attendance taking institution. Therefore, it must adhere to its policy and procedures for taking, and maintaining accurate attendance for all programs offered as of 7/1/2011. The institution was also required to determine whether or not the student began all of his/her courses every module within a semester in order to determine the student's correct amount of Title IV eligibility.*

EDIC was required to determine the effect of the reduced number of credits taken by the student for the corresponding semesters. Amounts paid in excess of allowable amounts had to be identified for all students who enrolled in the institution during award years 2011/12 and 2012/13, including the students cited in this finding by reducing the award

amount to reflect only those courses for which the student actually began attendance and was required to submit the results to this office in spreadsheet format.

EDIC was informed that due to the fact that this finding has a direct impact on the amount of return of Title IV, which will be discussed in Finding #2, EDIC was also required to complete a full file review, as specified in that finding.

EDIC was also required to inform this office of the procedures it has implemented, including but not limited to any training/guidance provided to the teaching staff as it pertains to taking and providing proper attendance records to the Registrar's office in order to ensure no reoccurrence of this finding and that repayment instructions for liabilities would be included in the Final Program Review Determination (FPRD).

EDIC's Response Summary: In response to this finding, on 9/4/13, the Department received correspondence from EDIC stating that upon further institutional review, it determined that it was not in agreement with the reviewers' observations made about the attendance for two of the four students cited in this finding, and provided additional information for further review by the Department in order to determine whether or not an attendance file review would be required.

On 9/13/13, the Department informed EDIC that it accepted the documentation and clarification of the issues provided for students #9 and 13. EDIC was also informed about the Department's concerns regarding EDIC's determination of student enrollment in the case of students #18 and 21 from award year 2012/2013. EDIC's procedures to monitor students' enrollment status for purposes of determining Title IV eligibility were not adequate, specifically, for students who unofficially stop attending or fail to attend one or more courses within a payment period during award year 2012/2013. In its response for students #18 and 21, EDIC concurred with the reviewers' observations. However, EDIC stated that this was not an error in attendance keeping but rather that it was a human error made by the employee who mistakenly wrote the processing date as the last date of attendance instead of the student's actual last date of attendance as noted in the teacher's roster for student #18. It further stated that the college was supposed to cancel the enrollment of this student for the relevant semester but it was not done within the required timeframe, per regulations. For student #21, EDIC stated that the attendance was properly recorded but the school failed to change the student's status from full time to three quarter time, resulting in an overpayment of Pell. It stated that the registrar should have communicated with the financial aid office to indicate the change in student's status but did not believe that this example demonstrates unreliability of the attendance records.

As a result, instead of requiring EDIC to complete an entire attendance file review for award years 2011/2012 and 2012/2013, the Department limited the review only to

recipient students who obtained a GPA of 0 during a payment period(s) for award year 2012/2013.

As required, EDIC submitted its corrective action plan to prevent reoccurrence of this finding, and the results of the file review, included in the school's response as Appendix #1 under Appendix C. The results of the file review disclosed that the institution overpaid Pell grant to 57 students, including students cited in this finding, totaling \$42,737.98 during award year 2012/2013.

Final Determination: The Department accepts EDIC's response and corrective action plan submitted for this finding. The total Pell grant 2012/2013 liability being assessed for this finding is \$42,737.98. However, EDIC provided proof of payment which indicates that \$42,644.42 has been refunded to the Pell grant program for award year 2012/2013. Therefore, the total Pell grant 2012/2013 remaining liability for this finding due the Department is \$93.56, included as Appendix D. Repayment instructions are included at the end of this letter.

Finding 2. Return of Title IV Funds Deficiencies/ Incorrect/ Unmade

Citation: When a recipient of Title IV funds withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must perform a Return of Title IV Funds calculation to determine the amount of Title IV grant or loan assistance the student earned as of the student's withdrawal date. The calculation should incorporate all of the elements of a refund calculation identified in pertinent Federal regulations, including the identification of proper payment periods, the correct calculation of the number of days completed by the student and the number of days in payment period, and the inclusion of Return calculation of all pertinent Title IV disbursements. 34 C.F.R. §668.22

If a student's projected enrollment status changes before the student begins attending in all of his or her classes for that payment period, the institution shall recalculate the student's enrollment status to reflect only those classes for which the student actually began attendance (34 CFR 690.80(b)(2)(ii)). The school then performs a Return calculation using the student's revised award.

An institution must return the amount of Title IV funds for which it is responsible under 34 C.F.R. § 668.22(g) as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew. 34 C.F.R. § 668.22(j)(1)

Failure to properly document a student's last day of attendance at an institution that takes attendance may result in the institution performing a return of Title IV calculation that could result in the institution keeping more Title IV funds that is entitled to, thereby creating an increased expense to the Department.

Noncompliance Summary: *The institution incorrectly calculated the return of Title IV funds for students #5, 9, 13, 16, 18, 21, and 25. Following are examples of inconsistencies noted:*

*Student #5-**the student's academic records indicates that he subsequently withdrew unofficially from EDIC after completing the first module with passing grades for the semester that began 2/22/2012 and ended 6/19/2012. EDIC completed the Pell grant adjustments based on the actual number of credits attended but failed to then complete an R2T4 calculation as required to determine whether or not additional Title IV funds were due the Department.*

Similarly, EDIC failed to complete an R2T4 calculation to determine whether or not additional funds were due the Department for students #16 and 25.

*Student #9-**the student's academic transcript indicates that she subsequently withdrew from EDIC after completing the first module of the 2/22/12-7/11/12 semester with passing grades. However, the institution failed to complete an R2T4 calculation to determine whether or not additional funds were due to be returned to the Department. In addition, the student's last date of attendance is questionable because she was subsequently marked present after "withdrew" (baja) was written for the REHU 1005 and the TQS 1903 courses during the second module. Also, the TQS 1920 course taken during the second module shows that the student was only one day present (3/14/2012).*

*Student #13-**the student's academic transcript indicates that she subsequently withdrew from EDIC, after completing the first module of the 7/7/11-2/13/12 semester. However, the institution failed to complete a R2T4 calculation to determine whether or not additional funds were due the Department. In addition, no attendance was noted for the AMP 1701 or the TRAB 1010 courses, which began during the second module. The last date of attendance noted as 1/25/12 does not match any of the attendance rosters.*

*Student #18-**the R2T4 calculation worksheet indicates that the student's last date of attendance was 2/6/13 during the 11/28/12-5/15/13 semester. The student's Pell grant award was adjusted to reflect the correct number of credits to less than half-time. However, the attendance records indicate that the LDA for the only course that he attended (TECA 1317) was 12/15/12. As a result, the R2T4 calculation is incorrect because EDIC used 2/6/13 as the student's last date of attendance instead of 12/15/12 per attendance rosters.*

*Student #21-**the R2T4 calculation worksheet indicates that EDIC incorrectly used the school's date of determination that the student withdrew (10/16/2012) to complete the calculation, instead of the student's last date of attendance (9/17/2012) as required if the institution is an attendance taking institution. In addition, the attendance records indicate that he did not attend the ANAT 2201 course thereby reducing his enrollment*

status to three quarter time. The institution failed to adjust the student's award accordingly before performing the calculation.

Additionally, in reviewing the institution's policies and procedures as it pertains to return of Title IV funds, reviewers noted that the information disclosed in its current catalog is incorrect. Specifically, it is stated on page 56 of the current version (2012-2015) of the catalog that withdrawal during the first module would be considered official or administrative as a total withdrawal as long as the student did not receive a grade in any of the course taken. This guidance was applicable to award years prior to 7/1/11. Effective beginning with the 2011/2012 award year, a semester hour institution that offers modules within the semester must consider a student a withdrawal if the student fails to complete the semester, unless the student provides the institution with a written notice of intent to return to a future module within the semester. Regardless of whether or not the student completed any of the modules and or received grades, if the student did not complete the entire semester, the student is considered a withdrawal, and a return of Title IV calculation applies to determine if any funds are due the Department.

Required Action Summary: *Due to the systemic nature of this finding, EDIC was required to determine the exact amount of institutional liability associated with this finding. The institution was required to perform a full file review to identify all Title IV recipient students, in award years 2011/2012 and 2012/2013, who officially withdrew from or unofficially stopped attending the institution, for whom a return of Title IV payment was required. For these students, the institution was required to provide the results to the office in spreadsheet format. EDIC was also required to inform this office of the procedures it has implemented to ensure no reoccurrence of this finding.*

EDIC's Response Summary: In its response, EDIC stated that as soon as it realized that it was using an outdated policy to calculate return of Title IV, it implemented the correct policy including making the necessary corrections in the school catalog. It also stated that it has acquired a new student information system that will help prevent this type of error in the future. As required, EDIC performed a full file review to identify all Title IV recipients in award years 2011/2012 and 2012/2013 who officially withdrew from and/or unofficially stopped attending the institution, and for whom a return of Title IV payment was required. The incorrect return of Title IV file review reports, included as Appendix 2 and Appendix 3 in the school's response under Appendix C disclosed 193 instances of incorrect R2T4 calculations resulting in 182 instances of under refunds to Pell totaling \$96,897.94 and 11 instances of over refunds totaling \$11,026.71 during award year 2011/2012. For award year 2012/2013, the results of the file review disclosed 179 instances of under refund to Pell totaling \$54,519.31 and 54 instances of over refund totaling \$21,501.75. EDIC provided proof that the additional refund due totaling \$54,519.31 was refunded to the Pell grant program. Also, Pell disbursement adjustments totaling \$21,501.75 to students that were over refunded as a result of the incorrect R2T4 calculations for the award year were also processed for 2012/2013.

Final Determination: The Department accepts EDIC's response to this finding. The results of the file review reports disclosed that for award years 2011/2012 and 2012/2013 total of 628 students withdrew from the institution, 216 of whom required R2T4 payment. The review also indicated that EDIC failed to return Title IV funds for 47 (41 from 2011/2012 and 6 from 2012/2013) of 216 students that required return of Title IV funds within the required 45 timeframe. This represents a 21.76% late return of Title IV funds, and the delay in returning the funds was anywhere from 1 to 213 days late. The total amount of Title IV funds returned by the institution disclosed in the report for fiscal year 2012/2013 was \$258,771.11. The additional unmade Pell refunds as a result of incorrect calculations due the Department for award year 2012/2013 in the amount of \$54,519.31 has been returned to the Pell program, and the over refunded Pell amount due students for award year 2012/2013 in the amount of 21,501.75 has been disbursed to the students. Therefore, the additional unmade refund liability as a result of incorrect calculations due the Department for award year 2011/2012 is 96,897.94 and the total underpaid amount due students is \$11,026.71. This is included as EDIC's Appendix E. The total late payment interest liabilities for award years 2011/2012 and 2012/2013 due the Department is \$1,198.53 included in Appendices E1, E2 and E3. Repayment instructions are included at the end of this letter.

D. Summary of Liabilities

[illegible]

[illegible]

E. Payment Instructions

1. Liabilities Owed to the Department

Liabilities Owed to the Department \$1,000 or More but Less Than \$100,000

EDIC owes to the Department **\$98,190.00**. Payment must be made by forwarding a check made payable to the "U.S. Department of Education" to the following address within 45 days of the date of this letter:

U.S. Department of Education
P.O. Box 979026
St. Louis, MO 63197-9000

Remit checks only. Do not send correspondence to this address.

Payment must be made via check and sent to the above Post Office Box. Payment and/or adjustments made via G5 will not be accepted as payment of this liability. Instead, the school must first make any required adjustments in COD as required by the applicable finding(s) and Section II – Instructions by Title IV, HEA Program (below), remit payment, and upon receipt of payment the Department will apply the funds to the appropriate G5 award (if necessary).

The following identification data must be provided with the payment:

Amount: \$98,190.00
DUNS: 619968704
TIN: 660444845
Program Review Control Number: 201320228203

Terms of Payment

As a result of this final determination, the Department has created a receivable for this liability and payment must be received by the Department within **45 days of the date of this letter**. If payment is not received within the 45-day period, interest will accrue in monthly increments from the date of this determination, on the amounts owed to the Department, at the current value of funds rate in effect as established by the Treasury Department, until the date of receipt of the payment. EDIC is also responsible for

repaying any interest that accrues. If you have any questions regarding interest accruals or payment credits, contact the Department's Accounts Receivable Group at (202) 245-8080 and ask to speak to EDIC's account representative.

If full payment cannot be made within 45 days of the date of this letter, contact the Department's Accounts Receivable Group to apply for a payment plan. Interest charges and other conditions apply. Written request may be sent to:

U.S. Department of Education
OCFO Financial Management Operations
Accounts Receivable Group
550 12th Street, S.W., Room 6114
Washington, DC 20202-4461

If within 45 days of the date of this letter, EDIC has neither made payment in accordance with these instructions nor entered into an arrangement to repay the liability under terms satisfactory to the Department, the Department intends to collect the amount due and payable by administrative offset against payments due EDIC from the Federal Government. **EDIC may object to the collection by offset only by challenging the existence or amount of the debt.** To challenge the debt, EDIC must **timely appeal** this determination under the procedures described in the "Appeal Procedures" section of the cover letter. The Department will use those procedures to consider any objection to offset. **No separate appeal opportunity will be provided.** If a timely appeal is filed, the Department will defer offset until completion of the appeal, unless the Department determines that offset is necessary as provided at 34 C.F.R. § 30.28. This debt may also be referred to the Department of the Treasury for further action as authorized by the Debt Collection Improvement Act of 1996.

2. Liabilities Owed to Students

Finding (2): Incorrect Return of Title IV Funds (Over refunded Pell causing a Pell Underpayment to students for award year 2011/2012)

Appendices: #2 completed by EDIC

Student(s)	
Amount	Award Year
\$11,026.71	2011/2012
Total \$11,026.71	

EDIC must make a good faith effort to disburse the Pell amount listed above to the student(s) listed in the above mentioned Appendix 2

Pell Grant – Closed Award Year

Findings: 1 and 2

Appendices: D and E

EDIC must repay:

Pell Closed Award Year Due the Department			
Amount (Principal)	Amount (Interest)	Title IV Grant	Award Year
\$93.56	\$.29	Pell	2012/2013
\$96,897.94	\$1,198.82	Pell	2011/2012
Total Principal	Total Interest		
\$96,991.50	\$1,198.82		

The disbursement record for each student identified in Appendices D and E finding 1 and 2 must be adjusted in the Common Origination and Disbursement (COD) system based on the recalculated amount identified in the appendix.

Adjustments in COD must be completed prior to remitting payment to the Department. Payment cannot be accepted via G5. Once the Department receives payment check, the Department will apply the principal payment to the applicable G5 award. The interest will be applied to the general program account.

A copy of the adjustment to each student's COD record must be sent to Lydia Gonzalez within 45 days of the date of this letter.

Pell Closed Award Year Due Students		
\$11,026.71	Pell	2011/2012
Total Principal		
\$11,026.71		

A program review related request for administrative relief has been requested from Pell Operations for approval so that EDIC can make the necessary Pell grant disbursement adjustments to eligible students for award year 2011/2012, included in Appendix 2 totaling \$11,026.11.

EDIC must provide proof of payment made to the student by submitting a copy of the students' ledger indicating payments for outstanding balances or front and back of the canceled check if the funds were refunded to the students as credit balances, to Lydia Gonzalez within 45 days of the date of this letter.

If the students do not have any outstanding balance due the institution, and EDIC is unable to locate the students to issue a credit balance check, the funds must be returned to the Federal Pell grant program.

A copy of the adjustment to each student's COD record must be sent to Lydia Gonzalez within 45 days of the date of this letter.

EDIC must inform Lydia Gonzalez as soon as the necessary Pell adjustments are completed for award year 2011/2012 in order to end the administrative relief.

The Department will not consider this program review closed until the information requested has been received.

F. Appendices

Appendices A through E3 are attached to this report.